

LOUISIANA RECOVERY AUTHORITY

Fraud Prevention and Investigations Task Force Resolution

May 16, 2006

Resolution to create the Fraud Prevention and Investigations Task Force

SUMMARY AND PURPOSE

Community Development Block Grants through the Department of Housing and Urban Development will play a crucial role in the rebuilding of Louisiana communities. The state anticipates \$12.1 billion of assistance, including Hazard Mitigation funds, will help Louisiana's recovery in areas including housing, infrastructure, and economic development. For the Homeowner Assistance portion of *The Road Home* Housing Plan, over \$7.5 billion dollars will be dedicated to aiding Louisiana homeowners whose property was either damaged or destroyed by Hurricanes Katrina and Rita. Further, because every penny is needed in this massive rebuilding effort, the taxpayers of our state and the rest of the nation will tolerate nothing less than a program that is administered honestly and properly and is accountable and transparent. The world is watching as we rebuild, and we must send a message that Louisiana will not tolerate attempts of individuals to abuse, defraud or steal government funds illegally. We will investigate claims of fraud, we will determine when fraud has occurred, and we will prosecute.

Several key groups must play a critical role throughout the investigatory process in order for this effort to succeed.

- Louisiana Recovery Authority Audit Committee
- Office of the Attorney General
- Housing and Urban Development Office of the Inspector General
- U.S. Attorneys
- Division of Administration's Office of Community Development
- Office of the Legislative Auditor
- State Inspector General

RECOMMENDATION

It is recommended that the following resolution be adopted :

NOW, THEREFORE, BE IT RESOLVED, that the Board create an interagency working group called the Fraud Prevention and Investigations Task Force; That the purpose of the Task Force is to create a coordinated plan to identify potential areas of fraud; create a mechanism to prevent fraud and investigate individual cases of fraud; to determine the method to prosecute those who are suspects of fraud; and to propose penalties for those individuals or corporations who are convicted of fraud.

BE IT FURTHER RESOLVED, that the Task Force shall be led and staffed by the Office of the Attorney General and shall be comprised of representative(s) of the LRA Audit Committee, the State Inspector General's Office, the HUD Office of the Inspector General, the U.S. Attorneys'

Office, the Division of Administration's Office of Community Development, and the Office of the Legislative Auditor. This Task Force shall report their findings and plan of action to the Louisiana Recovery Authority no later than June 14, 2006.